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Cassette Productions Unlimited

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November 24, 1993

The Honorable Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: Limitations on Commercial Time on Television Broadcast
Stations, MM Docket No. 93-254

Dear Ms. Searcy:

I am writing to oppose the suggestion in the Commission's Notice of Inquiry that time limitations be reimposed on the amount of commercial matter broadcast by television stations.

Cassette Productions Unlimited Inc. has been serving the infomercial industry since 1985. We have been a support manufacturer for many successful shows over this time period. We also handle fulfillment and customer service for many of the products being sold through the infomercial (program-length commercial) medium. A significant majority of those who have purchased these products are highly satisfied with their purchase.

From our perspective, there is no justification for imposing time limits for commercial use. The FCC's 1984 decision was premised on the belief that there would be an expansion in the number of information sources available to viewers, and that in such a competitive marketplace, viewers would determine the appropriate amount of commercial programming by their choice of programs they watch. Furthermore, the FCC believed that the market would respond to the relaxation of constraints on commercial programming by developing new commercial offerings.

Both these predictions have proved true. The number of video channels available to consumers has already expanded significantly, and we are just entering a new technological era that promises a great increase in the number of information and video programming sources. Many estimates indicate a five hundred channel capability in the near future. This expansion will require extensive programming.

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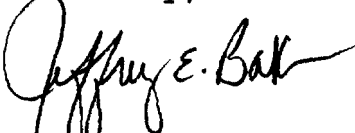
Furthermore, there has been substantial innovation in the delivery of commercial programming in response to the 1984 decision. The program-length commercial is an important example of that innovation. This format might not ever have come into existence if the FCC had continued trying to determine the appropriate amount or type of commercial programming through fixed time limits. These programs have had to compete for viewer attention, and the fact that they have developed a sizeable audience despite all the other video offerings demonstrates that there is a significant consumer need that would not be addressed if time limits were imposed.

In addition, the infomercial has been a great revenue source to both cable and local broadcast. In many cases, this type of programming has significantly supported the station, thereby affording the station to offer certain programming free to its viewership. Our involvement with this form of advertising suggests that it is popular among broadcast stations as well as to the viewership. I estimate we have helped produce products for infomercials that generated in excess of \$150,000,000 in programming revenue over a six year period.

Suggestions that the FCC should impose time limits that would restrict the showing of infomercials raise sensitive First Amendment considerations. Why not let the viewership (who quite obviously approve this form) make this choice? In an era where the number of video channels available to consumers is increasing rapidly, there is no reason why the FCC should impose a content-based discrimination against the broadcast of entertaining and informative commercial matter, simply because it is presented in program-length format.

For stated reasons, we believe as a general matter that the Commission should not initiate a rulemaking to consider reimposing time limits on the broadcast of commercial matter. In particular, we believe that no justification has been shown for the imposition of limits on program-length commercials by broadcast stations.

Sincerely,



Jeffrey E. Baker
President
Cassette Productions Unlimited Inc.